

There it is! The Validation of your business case! The official go ahead to implement your dream HR solution in all the countries where your company is doing business.

Without doubt, you have selected the best solution on the market: a SaaS solution covering the whole scope of HR processes, from recruitment to talent management, not forgetting the Core HR module, which will soon gather and store all the information about your jobs and your employees in a unique system.

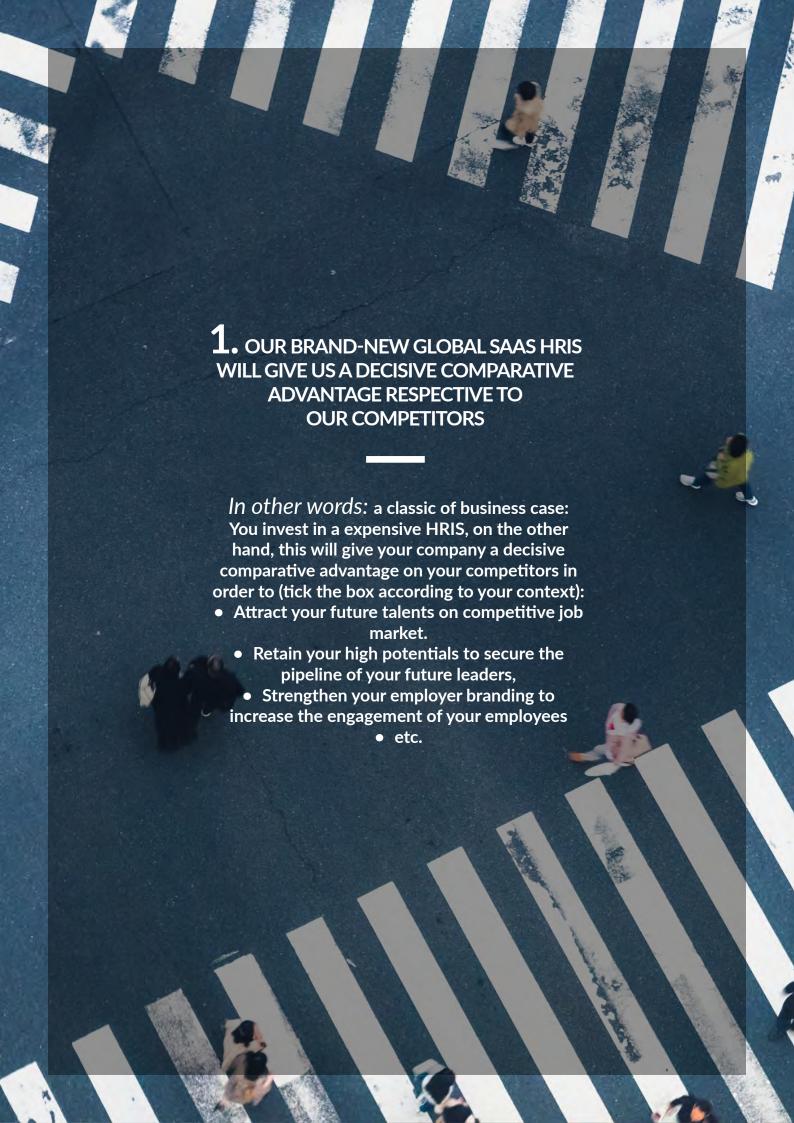
Obviously, you have some great ideas, SaaS will help you to make important decisions to start your project.

Alas, 10 of the most popular concepts related to HRIS implementation are usually wrong.



BUSINESS CASE WHITE LIES DEAD-END IMPLEMENTATION OPTIONS





You are investing in a system already used by thousands of companies, so no comparative advantage to be expected.



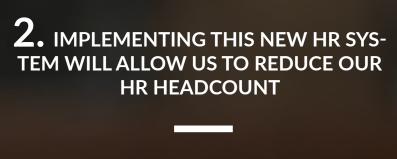
It is then very likely that, in the best situation, you will only reach the current standard of your competitors, as they are most certainly using already a similar solution. Or maybe even the same solution! (After all, the offer is quite limited).

OUR ADVICE

Back to the notion of comparative advantage, the battle has now moved to new, smaller players.

In the end, setting up your HR SaaS system, even if it is very expensive, represents only the foundations of your HR strategy. To be truly specific and to create a comparative advantage vis-à-vis the competition, you must aim at add-ons, small solutions developed specifically for you, to meet a crucial need identified by you, and that you can plug in your SaaS system.

Let's take an example. You are a Retail company and the reduction of the time to fill a position really is what can make the difference compared to your competitors. A good solution would be to look for start-ups working on artificial intelligence and develop with them, specifically for you, a module to accelerate recruitment, plugged directly in your "standard" recruitment module.



In other words: this is often the Faustian deal you make with your Finance department: let's pay for this very expensive solution and save a lot in the long term on the HR workforce through efficiency gains in all processes.

As long as robots will not be able to perform basic HR processes (it's coming, be prepared, though that's a different kind of project), HR tasks will have to be done by humans. Reducing HR headcount thus means transferring the HR tasks to managers (is it more efficient?) or outsourcing (is it less expensive?). Again, it is not exactly the same project as implementing a HRIS.

It should first be noted that even the most efficient HR systems cannot simply revolutionize HR processes. Managing a recruitment is always a matter of creating a job requisition, posting it, and managing candidates through various stages of selection. It is very difficult to gain in efficiency on a single process simply by changing your system.

OUR ADVICE

3 situations could allow you to gain (a bit) in efficiency when implementing a new HRIS:

- a) I gather previously sparse HR data into a single system and I can gain efficiency on getting my reports from this **single database** (rather than having X FTEs paid to consolidate Excel files).
- b) Integrating different processes allows me to increase efficiency through a **shared data flow**. For example, by integrating the onboarding and Core HR modules: a future hired person fills his/her personal data in the onboarding module, which pre-fills the personal data fields you need to complete to hire this employee.
- c) I transfer HR tasks to non-HR actors, external or internal (but in the latter case, we will look in vain for efficiency gains for the company as a whole). An example: in my Recruitment module, I allow external agencies to have access to my system and push their candidates directly on my job requisitions, which means less job for my recruiters.

These limited efficiency gains are all the more reduced since, on the other hand, the implementation of a SaaS system requires the development of a centralized HRIS team within the HR function to manage the Run of this system. As a result, you often end up with more HR staff than at the beginning of the project.



Your HRIS (and data) will be hosted in the cloud and most certainly integrated with your company's other systems. So, you will need your IT team.

If you consider your HRIS system alone, out of any connections, then moving from an on-premise solution to a SaaS solution shifts the weight of the project and maintenance on HR teams rather than the IT ones. Indeed, it is more about designing and adjusting HR processes than coding.

That being said, users are now expecting their systems to be ATAWAD and integrated. This is why the IT department, and more specifically the IT infrastructure department, is more important than ever.



OUR ADVICE

Your users would not understand why in 2020 they cannot have a secured access to sensitive data from their personal smartphone, including when they are working from home or from the airport.

This is why your IT competencies are key, and specifically the IT infrastructure competencies, and you should consider having them in-house, if you are still relying on external providers to do that.



Implementing a SaaS is expensive but running it as well. Moreover, how could you resist adding new breakthrough functionalities once you have paid so much for the basics?

A better touristic comparison for a SaaS solution would then be an amusement park. You have access to all the rides, but it makes you pay for snacks, souvenirs and even access to the toilets. Here is a small list of extra costs not always anticipated when starting a SaaS project...



The cost to run the solution. Beyond the fact that internal HRIS staff will certainly be needed once the solution is implemented, **full internalization of the Run is not possible**: many maintenance activities require actions from a certified external partner.

The cost to expand the functional coverage. An example with the purchase of a recruitment solution: the career site is not always included, and it is difficult to imagine redesigning your recruitment solution without making improvements to your career site, which is the show-case of your company. You may also need additional features not covered, such as an electronic signature module or a video-interviewing module.

The cost of technical issues. As seen previously, the IT infrastructure quickly becomes crucial for a SaaS deployment project, **therefore IT costs can quickly increase**. The update to GDPR standards, to ensure the security of personal data, will also impose legal costs in many countries. Furthermore, if you plan to deploy in Russia or China, it will be more additional costs to comply with local laws.

<u>The cost of change management</u>. "Virtual" communication and training tools exist to reach a broader and less concerned (read: non-HR) target – digital adoption platform, webinars, etc. – but their costs are usually not virtual at all.



There is no standard process in a SaaS solution. If it were a plug-and-play, implementations would take days instead of months, and the integration companies would not be so flourishing.



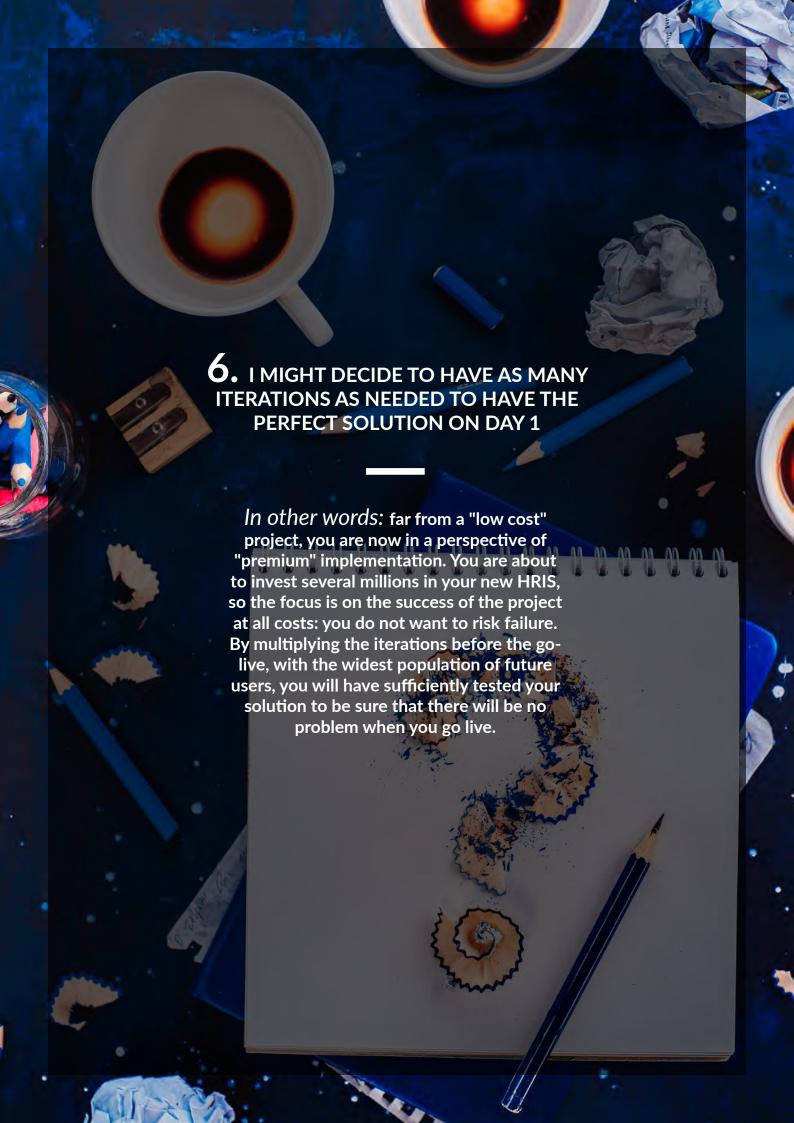
The whole point of implementing a SaaS solution is to define who should do what in this solution – **roles and processes** – in the frame of features imposed by the vendor. This is why these projects now involve HR teams more than IT teams. A complementary support from a functional consulting team might also be a good option to comfort HR teams in their decisions and assess the impacts of the new processes on the existing organizations.

OUR ADVICE

That being said, how can you implement it at a lower cost, if that is your main goal?

You can decide to start with **relatively simple processes** and standard roles, and the integrator will be able to propose all that. The work will then consists in measuring the gap between these standard processes and those existing in your company, thus evaluating the cost(s) of change management (which will be high). This is the ideal option when the HR processes in your different countries are very different.

Second "low cost" option, which makes a lot of sense when you have **on the contrary relatively harmonized HR processes among your countries** (which is usually the case when you replace an existing global solution or regional solutions): you can decide to stick to what has been done in the company until then. This drastically reduces the costs of change management, and since the processes are already well defined (or should be), the project becomes essentially a system configuration job.



Multiplying the iterations, and thus mechanically the duration of the deployment, will certainly increase the cost of the project. Is this the best way to guarantee the quality of the product delivered in the end? Debatable, specifically for three main reasons:



<u>First technical reason</u>: a cut-over is a very manual process. If you imagine you can move your SaaS solution to production through fully automated transfer of processes and data from the test environment, think again. If this were the case, the cut-over times would be measured in seconds and not in days or weeks as is usually the case. The more the complex manual adjustments you will need to reproduce in your production base, the higher the risk of errors when you go live.

Second technical reason: the integration of the vendor's releases in your project.

SuccessFactors and Workday now offer 2 releases per year.

If your project is running on 3 years, you will have at least 5 upgrades between your first iteration and the final go-live.

- You may decide to incorporate these new releases as the project moves on (or at least the most impactful new functionalities), but the complexity of handling iterations on ever-changing configuration will drive you mad.
- On the other hand, you can decide to freeze the configuration for the duration of the project, and pass them in bulk once you are live. Then again, why spend so much time perfecting a configuration that will not last more than a few weeks?

<u>The last reason is psychological</u>, and very powerful You can motivate, threaten or beg, but end-users only test in production. It is a fact.

OUR ADVICE

Therefore, it is often much more efficient to limit the test iterations and to devote additional resources to post-go-live user support.

Having your HRIS team ready to implement quickly a 1.1 version of the solution, based on early post-go-live feedback, can also make a lot of sense.



HRs and especially operational HRs (workforce administrators, business partners, and recruiters) will be the most resistant to change because they will be the only ones to have something to lose, and whatever the possible cases...

Scenario #1 : You replace an old system with a brand new HRIS, more beautiful, more ergonomic. How could HR not be with you?



Very sincerely, they probably have reasons not to support you: it is a change of system, with potentially new processes, new roles, many uncertainties, and therefore there's resistance. So at this point, to dispel the fears, you try your last card and communicate on the sacrosanct "less paperwork for more value-added tasks". However, are you sure that all HRs, and especially those who have been managing quite well administrative tasks for 20 years, feel capable of accomplishing these famous activities with higher added value?

Scenario #2: You set up a system to replace Excel sheets and emails. It should be a no brainer for HRs.



Except that, once again, HRs are the only one to lose: they had the monopoly of information on employees, and suddenly managers have access to this information without any intermediary. In the worst situation (for HRs), managers might even have a view on ongoing processes, for example having the possibility to check the candidates screening for their job requests in real time. You thought to bring a new digital era to HRs and it's 1984.

OUR ADVICE

You should not ignore the support from HR, but managers and employees could be the sponsors you are looking for, even if they ultimately recover some of the administrative tasks that were done by HR.

Remember that in the digital era we are living in, airlines companies make us queue for the dubious privilege of checking our luggage by ourselves. In these conditions, asking a manager to prepare a recruitment request for his team or to finalize the hiring of one of his future employees all by his lonesome could appear to him almost as a social achievement.



In other words: today everyone does POCs on everything, including projects costing less than 10K €. Why couldn't you do a POC on your HRIS deployment project that will cost you several million?

If you think a pilot will allow you to backtrack, if it is not delivering what you are expecting, think again: once you have launched the project, it is simply too big to backtrack. If you only count on your pilot to adjust some implementation options, this is what you will have to do anyway all along the project, and not only during the pilot phase. This is what we call Agile methodology. So why bother with a pilot?

There are two ways to design a pilot phase. You can first imagine a pilot as a POC that would test your solution in a geographical area before a broader deployment.

Though this will not work when you implement a Core HR, because **backtracking is not possible if the solution is not ultimately fully satisfying. You can only live with it and patch it.** Besides, the contractual elements have become so complex today that you just cannot skip from one vendor to another.



You can also design a pilot as a test run on a small perimeter, in order to challenge and validate your project methods and change management.

From this perspective, a pilot makes a little more sense but it is not suited for Agile deployment methodology, which assumes that we can adjust to new reality and context at each iteration.

In the Agile methodology, each iteration is supposed to be the pilot of the next iteration.

Nor is it suitable for an international deployment that has to **take into account** important **cultural differences** between countries, and not only language differences. Take McDonald's for instance, it has a wide set of menus for the country it is implemented in. So do not be fooled, your solution will have to adapt to the different processes may it be in Europe, Asia, or America.

OUR ADVICE

More than a pilot, you need to draw a line as soon as possible between what is global and what is local.

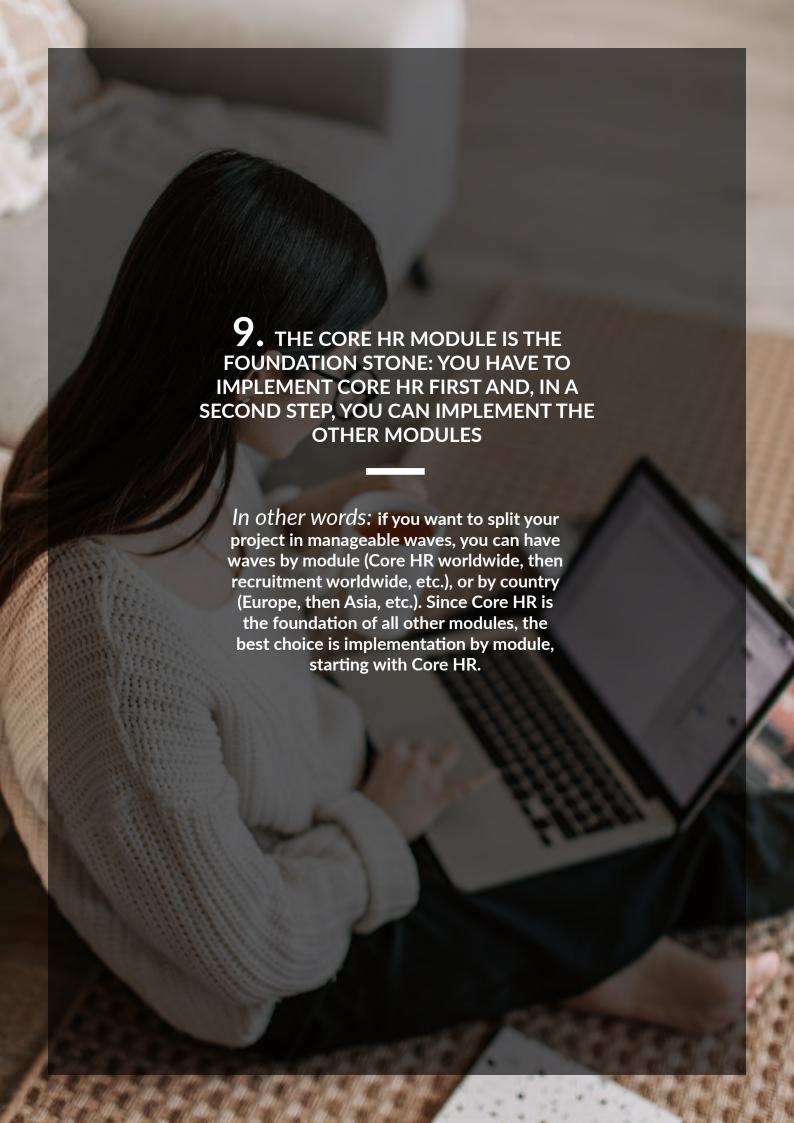
From the start, it is necessary to be able to anticipate the flexibility (or lack there is) that countries will have to define their own roles, their own processes, their own change management strategies.



If you want to leave a lot of flexibility to the local offices or level, you will have to be very agile and a pilot is useless.

If you want to keep a lot of things at global level (and some very centralized systems by design force you to be very top-down), you can possibly test some things (process, training support, etc.) on a pilot, but without real guarantees that the result of this pilot can be exported to all the countries.

Last, it should be noted that some processes – more global by essence – are more suitable than others to be implemented with a pilot phase: succession planning, for example, or performance management.



You have to start with Core HR, but implementing it alone is not a good option: you should definitely consider implementing all your modules at the same time, including Core HR. A split by geographical waves is the only viable option: it allows a much better sponsorship of the project, which is an essential element to its success.



Core HR is a key module of your HR solution, but creating enthusiasm among your project's stakeholders will force you to deploy persuasive prowess as it is the least inspiring module of the whole catalogue:

- Your HRD will not perceive this process as particularly strategic and will not feel very engaged. As well as HR teams will not necessarily be sponsors (see the misconception about this topic)
- Managers may also be unenthusiastic. Depending on your organization, you will find two scenarios. If your managers are not very involved in administrative management processes, then do not bother them more. Even if they are direct actors of Core HR processes, they will hardly see the value of investing so much in a new system that does not really bring them much.
- As for creating a craze among your leaders with the core HR module, it is just as delicate: it is difficult to do HR marketing on the basis of "social audit" reports.

OUR ADVICE

Implementing all modules at once has the great merit of maximizing your level of sponsorship on the project. Your communication strategy becomes much simpler and more efficient: you deploy a new talent management system, with the Core HR as a stowaway who guarantees that you still put the bricks in the right order.

Your main contact in the country is no longer the payroll manager, but the head of recruitment or talent development, under the high patronage of the HRD. You can much more easily sell to managers the need for them to go through tedious job creation process when you can promote their future ability to manage more finely their time to fill for each vacancy.

Moreover, you can offer your leaders dashboards faster, built on the entire HR scope. The icing on the cake, it is easier to maintain a country under tension during a given period than on several waves of successive deployment, even if the resources mobilized locally are not the same from one module to another.



Let's face it: it's absolutely true.

And you will create specific roles and processes for France.

